



STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

ACT/047/002

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
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December 8, 1986

Mitchell A. Lekas, President
Geokinetics, Inc.
391 Chipeta Way
Salt Lake City, Utah 84108

Dear Mr. Lekas:

Re: Reclamation and Revised Bonding (Round 2), Seep Ridge Project,
ACT/047/002, Uintah County, Utah

This letter is in response to your letter dated November 10, 1986. Attached is a bond estimate which reflects the changes indicated in your letter.

As we discussed on November 25, 1986, Pam Grubaugh-Littig and I will meet you on site December 10, 1986 at noon, to field check the site status and reclamation completed in order to accommodate a bond reduction for this site. In the event that the weather prohibits our trip, we will re-schedule.

Sincerely,

John J. Whitehead
Permit Supervisor/
Reclamation Hydrologist

djh
Enclosure(s)
cc: J. Blake, State Lands & Forestry
L. Braxton
P. Grubaugh-Littig
0800R/62

GEOKINETICS
REVISED BOND ESTIMATE
November 20, 1986

The improvements at the Geokinetics Seep Ridge site that will be retained during the indefinite suspension are:

1. Shop building and shop area
2. Mobile home park (10 mobile homes)
3. Two water wells - would be transferred to State Lands
4. 20,000 bbl tank battery
5. 3,000 bbl tanks (2)
6. Evaporation pond #2
7. Power house and power house yard
8. Afterburner
9. Absorber tower
10. Modular office building
11. Miscellaneous equipment stacked on site
12. Road

(It is assumed that previously reclaimed areas will be disked out and seeded during the fall of 1986).

Dismantling and Removal

(Assumption: Haulage of materials will be to Vernal.)

Shop Building

120' x 150' x 18' = 108,000 cf @ \$.17/cf = \$ 18,360

Office Building

30' x 30' x 15' = 13,500 cf @ \$.17/cf = \$ 2,295

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Power House

30' x 40' x 20' = 24,000 cf @ \$.17/cf = \$ 4,080

Tank

20,000 bbl tank battery 112,300 cf
5 days dismantling
 truck and trailer and driver = \$ 537.00/day
 sheet metal worker = \$ 265.20/day
 laborers = \$ 184.40/day (1)
 crane = \$ 988.00/day

\$ 1,974.60/day x 5 days = \$ 9,873

2-3,000 bbl tanks
1.5 days of dismantling
 and removal
@ \$1,974.60/day = \$ 2,962

Afterburner

2 days of dismantling and removal @\$1,974.60/day
\$ 3,950

Absorber Tower

2 days of dismantling and removal @ \$1,974.60/day
\$ 3,950

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Mobile Homes

Truck and driver to move 10 mobile homes
(Tractor) \$ 225.20/day
(Driver) \$ 190.40/day (driver)
\$ 415.60 x 4 days = \$ 1,662.40

Equipment Removal and Site Clean Up

Tractor \$ 363.20
Trailer \$ 100.24
Driver \$ 190.40
\$ 653.84/day

Crane \$ 988/day
Laborers = \$184.40/day x 2 laborers = \$ 368.80

\$1,811/day x 2 days = \$ 3,622

Areas to be Regraded, Recontoured and Ripped:

Mobile Home Park	1.72 ac.
Power House Yard	5.50 ac.
Tank Battery Area	2.00 ac.
Shop Area	2.50 ac.
Roads	<u>1.84 ac.</u>

13.56 ac.

13.56 ac. = 590,674 sf (@ 6")

295,337 cf

10,938 cy

@ \$.84/cy for 10,938 cy

Sub Total

\$ 9,188

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Backfilling Evaporation Ponds:

Ponds #2 and #3 -

150' haul common earth, 200 H.P. dozer
@ \$94/cy:

#2 = 400 x 400 x 3'	17,778 cy @ \$.94/cy	\$ 16,711
	Sub Total	\$ 16,711

Revegetation of 19.29 ac: -

Harrowed, Fertilized, Drill Seeded:

Harrowed @ \$200/day (including tractor & driver)
Fertilizer (applied) - \$45/ac.
Drill Seeder @ \$200/day (including tractor & driver)
Seed @ \$150/ac.
At the rate of 10 ac/day

Harrowed in 2 days @ \$200/day =	\$ 400
Fertilizer = \$45/ac. x 20 ac. =	900
Drill Seeder for 2 days @ \$200/day =	400
Seed = \$150/ac. x 20 ac. =	<u>3,000</u>
	\$ 4,700

20% rate for revegetation
\$4,700 x 1.2 = \$5,880

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<u>Dismantling and Building Removal</u>	\$ 50,754
<u>Backfilling Evaporation Ponds</u>	\$ 16,711
<u>Regraded & Recontoured</u>	\$ 9,188
<u>Revegetation</u>	\$ 5,880
<u>Monitoring @ \$500/year</u>	\$ 1,500
<u>Supervise Entire Project = 10 days</u>	
<u>@ \$262.80/day</u>	<u>\$ 2,628</u>
	\$ 86,661
10% contingency	<u>\$ 8,666</u>
	\$ 95,327 (1986 dollars)

Escalate @ 1.62%

1987 -	96,871
1988 -	98,441
1989 -	\$100,035

JJW/djh
0800R/63-67